

**Yukon Municipal Authority Minutes  
November 17, 2015**

ROLL CALL: (Present)     John Alberts, Chairman  
                                 Richard Russell, Vice Chairman  
                                 Michael McEachern, Trustee  
                                 Earline Smaistrila, Trustee  
                                 Donna Yanda, Trustee

(Recess as Yukon City Council and Reconvene as Yukon Municipal Authority)

**1A. YMA Consent Docket**

This item is placed on the agenda so the Yukon Municipal Authority, by unanimous consent, can designate those routine items they wish to be approved by one motion. If an item does not meet with the approval of all Authority Members, that item will be heard in regular order.

**The City Manager recommends a motion to approve:**

**A) The minutes of the regular meeting of November 3, 2015**

The motion to approve the YMA Consent Docket, consisting of the approval of the minutes of the regular meeting of November 3, 2015, was made by Trustee Russell and seconded by Trustee McEachern.

**The vote:**

**AYES: Smaistrila, McEachern, Yanda, Alberts, Russell**

**NAYS: None**

**VOTE: 5-0**

**MOTION CARRIED**

**2A. Consider approving a joint rezoning application for Yukon Crossing/City Hall Plaza from C-3 Restricted Commercial District to Urban Gateway Overlay Supplemental District, as recommended by the General Manager and Executive Director of YEDA.**

The motion to approve a joint rezoning application for Yukon Crossing/City Hall Plaza from C-3 Restricted Commercial District to Urban Gateway Overlay Supplemental District, as recommended by the General Manager and Executive Director of YEDA, was made by was made by Trustee Yanda and seconded by Trustee Russell.

Trustee Yanda stated we bought this property to build a new City Hall. Rezoning will give us control on what goes there. We have outgrown our offices. It's a very important part of our project to move forward.

Trustee McEachern asked if we were putting the cart before the horse. We haven't separated property for sale. Financing is a concern. We haven't seen enough of overall plan.

Mr. Bottom stated we are only approving one step of RFP/RFQ, making property more desirable. It lets the buyers know what they are buying.

Trustee Russell stated there is not enough information. He would like to see what we are going to do with it. He asked if we should table this item.

Mr. Bottom stated tabling item ties our hands and we cannot maximize our property. The zoning is fully laid out in packet. Mr. Bottom urges passing the item. It is exclusive of anything else.

Trustee McEachern asked if it has been passed by YEDA. Mr. Bottom stated it is a joint application, by me and the Executive Director. Mr. Mitchell stated Authority will be considering this on Thursday. Trustee McEachern asked if it would be a moot point, if passed. Mr. Mitchell stated City has purchased the land. Half of the property will be set aside for City Hall and the other half will be managed and marketed by YEDA. We need to know where the 20 acres for City Hall will be and then we can offer land to developers. It is not necessary at this time to worry about financing. Location is concern right now.

Trustee Yanda stated rezoning gives us more control. Mr. Mitchell stated zoning gives more flexibility, more control over design, and is not use-oriented. This zoning gives idea of what will be in place. If RFQ/RFP issued, we can answer many questions from developers.

Trustee Russell guarantees City Hall will be going there. Mr. Mitchell stated it doesn't guarantee; it just reserves half the site for City Hall. Trustee Russell asked, if this should have went to zoning first. Mr. Mitchell stated this is just the application tonight. He then stated the steps of process.

Trustee McEachern is nervous about changing zoning. Mr. Mitchell asked if he was comfortable selling property with current zoning. Trustee McEachern asked if we have any leads. Mr. Mitchell stated yes, we have talked to developers. Trustee McEachern stated if we knew some of the targets, it would be helpful.

Chairman Alberts is concerned about TIF. He would like to understand the full proposal. Not against zoning, but not ready to move forward. He would like to know where project is headed and wants more details. Mr. Mitchell is only saying that under SmartCode there is more control. Chairman Alberts wants to know financing, not in favor of TIF. No point in rezoning without financing. Previous TIF has not fulfilled promises. He wants to look at other plans and financing options. Mr. Mitchell stated developers want to know ground rules. Chairman Alberts stated he wants ground rules. Chairman Alberts asked Trustee Yanda to table item. First step is funding. Mr. Mitchell stated purpose of rezoning is to do RFQ and see interest. Mayor Alberts needs more information. Trustee McEachern said to ask developers if property is more attractive if SmartCode. Chairman Alberts asked questions about negotiations. Mr. Mitchell stated we have been talking to developers. Chairman Alberts wants more information. Trustee Yanda stated we are only talking about rezoning not funding. Mr. Mitchell stated some funding comes from land sale. Chairman Alberts would like to know other options for funding besides TIF. Mr. Mitchell stated sale of land along with TIF is a financing option. Chairman Alberts needs to know more about project and determine financing before rezoning. Mr. Mitchell stated overlay is best option for land use and development. Mayor Alberts stated zoning is not the issue, the overall project is. Mr. Mitchell stated if we do move toward the TIF, there is a Review Committee process that takes a few months.

The motion was amended by Trustee Yanda to table item until December 15<sup>th</sup>, and seconded by Trustee Russell.

**The vote:**

**AYES: Alberts, Russell, Smaistrila, Yanda, McEachern**

**NAYS: None**

**VOTE: 5-0**

**MOTION CARRIED**

**3A. Consider and approve Resolution No. YMA-2015-07, a resolution providing preliminary approval and declaring the intent of the Yukon Municipal Authority in connection with the issuance of not to exceed \$45,000,000.00 of its revenue bonds or notes for the payment of or reimbursement of expenditures for the Yukon Sports Complex.**

The motion to approve Resolution No. YMA-2015-07, a resolution providing preliminary approval and declaring the intent of the Yukon Municipal Authority in connection with the issuance of not to exceed \$45,000,000 of its revenue bonds or notes for the payment of or reimbursement of expenditures for the Yukon Sports Complex, was made by was made by Trustee Yanda and seconded by Trustee Alberts.

Trustee Russell asked if there was a backer. Mr. Bottom stated we still have to approve indebtedness. Council Member Russell asked about the park. Mr. Bottom stated this is for Phase 1, center of park and soccer fields. Phase 2 is softball and baseball fields. This gets the City reimbursed for expenses it has had and will have throughout the project. Trustee McEachern asked if these will be bonds. Mr. Bottom stated yes. Trustee McEachern clarified this would not be the final price. Mr. Bottom agreed this is the anticipated costs of Phase 1.

(Trustee Smaistrila left meeting at 7:36pm)

Chairman Alberts does not understand. Mr. Segler stated YMA borrowed to purchase land. This resolution is IRS required when bonds are issued. Proceeds reimburse City for costs already incurred. Not needed if this was Lease Purchase agreement. This allows City to issue bonds. If we do issue bonds, some of the proceeds can be reimbursed to the City. Bonds won't exceed \$45million. Chairman Alberts questioned where the \$45million came from. Mr. Bottom stated from the original engineering estimate for park. Chairman Alberts thought we weren't going to use bonds/taxes. Mr. Segler stated just using sales tax. Chairman Alberts didn't think we were going use sales tax. Mr. Bottom stated we are not going to raise taxes. Mr. Bottom stated we won't build the park. Chairman Alberts stated no, we just need more explanation. We need your cooperation, not the public's. We would like a breakdown. Not selling land, but managing it and providing costs. What does \$45 million get us? Mr. Bottom will provide information as soon as available. Chairman Alberts asked why such a big number on bonds? He didn't think we were going to use bonds to pay for park. Mr. Bottom stated he was advised by financial advisors that bonds were the better way to go. Chairman Alberts stated that's a substantial change from when I voted to buy the property to build the park. Mr. Bottom stated at the time, we were going to finance with certificate of participation. Mr. Segler stated this is not the issuance of bonds, just part of the process. He also stated \$45 million is the cap, you don't necessarily have to issue full amount. Chairman Alberts asked about steps of issuing bonds. Mr. Segler gave entire process. Chairman Alberts is unsure of why we are passing now. Mr. Segler stated it may be a timing issue. Trustee Yanda asked if Mr. Williams said we should do this at this time. Mr. Bottom stated he sent this to us. Chairman Alberts stated it looks like this is a \$45 million line of credit to build park. Mr. Segler stated the bond amount is not determined by this action, just gives the cap.

Trustee McEachern questioned the amount of park exceeding \$45million. Trustee Russell thought we had investors. Mr. Bottom stated we still do, but financial advisors say bonds are cheaper. Chairman Alberts still doesn't understand \$45 million. Mr. Bottom stated it is tied to the reimbursement of expenses within Phase 1 of the parks. Chairman Alberts would like financial advisors to explain. He wants a park and City Hall, but can't explain to citizens what is going on. He would like the first information given to be contrasted with new information. Mr. Bottom stated resolution is for IRS purposes. Chairman Alberts asked if this had to be approved tonight. Mr. Bottom believes since Mr. Williams sent it, probably. Mr. Segler stated process to issue bonds is the same as earlier refundings. This isn't issuance of a bond. Trustee Yanda clarified this has to be done first. Trustee McEachern would have liked information from Mr. Williams. Chairman Alberts stated \$45million is intimidating. Exciting time, but he does not understand everything, therefore unable to answer citizen's questions. I want a park, but need explanations. He thought we weren't issuing bonds. Mr. Bottom stated its debt. Debt can be called different things.

The motion was amended by Trustee Yanda to postpone until the first available meeting the financial advisors could discuss, and seconded by Chairman Alberts.

**The vote:**

**AYES: McEachern, Russell, Alberts, Yanda**

**NAYS: None**

**VOTE: 4-0**

**MOTION CARRIED**

(Adjourn as YMA and Reconvene as Yukon City Council)